

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, December 21, 2020**

Mayor Schmidt called the meeting to order at 7:03PM.

Council Members Present: Will Dujardin, Candice Bradley, Chris Haver, Mallika Magner, Laura Mitchell, and Mona Merrill

Staff Present: Town Manager Dara MacDonald and Town Attorneys John Sullivan and Barbara Green

Town Clerk Lynelle Stanford, Community Development Director Troy Russ, Town Planner I Mel Yemma, Finance Director Rob Zillioux, and Public Works Director Shea Earley (for part of the meeting)

Everyone connected and participated in the meeting via Zoom. Schmidt, MacDonald, and Zillioux were present in Council Chambers.

Schmidt started the meeting with a heavy heart. The community lost a long-time member, Jeff Schneider, to an avalanche. Schmidt recognized it had been especially draining this year. He hoped the vaccine would come through as predicted.

**APPROVAL OF AGENDA**

Haver moved and Mitchell seconded a motion to approve the agenda as submitted. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**CONSENT AGENDA**

- 1) December 7, 2020 Regular Town Council Meeting Minutes.**
- 2) Appointments and Re-appointments of Members to the Public Art Commission.**
- 3) Resolution No. 26, Series 2020 - A Resolution of the Crested Butte Town Council Adopting Changes and Additions to the 2020 Budget and Appropriations Relative to the Enterprise, Capital, Streets & Alley and Affordable housing Funds.**
- 4) Consider Engagement with McMahan and Associates for the 2020 Financial Audit.**
- 5) 2021 Services Agreement Between the Town of Crested Butte and the Crested Butte / Mt. Crested Butte Chamber of Commerce.**

Magner requested that the agreement between the Town and The Chamber be moved to New Business. She asked for its removal from Consent Agenda because she was the Council's ex officio member on The Chamber board. She would also be recusing herself from the Redden matter for the same reason.

Mitchell moved and Dujardin seconded a motion to approve the Consent Agenda with moving item #5 to New Business. A roll call vote was taken with all voting, "Yes."  
**Motion passed unanimously.**

### **PUBLIC COMMENT**

Kent Cowherd - 901 Teocalli Avenue

- He wanted to reinforce his ideas regarding affordable housing.
- He pointed out his letter asking the Town to reevaluate the area behind the school.
- He emphasized the importance of the Space to Create.
- He identified Code changes that could be made to create more affordable housing, including reducing the minimum square footage required and adjusting parking requirements.
- He wanted to emphasize the urgency of affordable housing.
- He recommended that the Council declare a housing emergency.

### **STAFF UPDATES**

- Schmidt asked whether MacDonald wanted to add anything to the Manager's Report.
- Schmidt brought up the intergovernmental meeting. He suggested a regular schedule for the meetings. Dujardin, Haver, and Schmidt affirmed their interest in getting a Zoom meeting scheduled.
- Schmidt pointed out the mask purchase with CARES Act money.
- Mitchell thanked for the doggy doo bio bags.
- Schmidt asked about use at the new sledding hill location and specifically about a porta potty.

### **PUBLIC HEARING**

**1) Ordinance No. 30, Series 2020 - An Ordinance of the Crested Butte Town Council Approving the Lease of a Portion of the Property at Avalanche Park (Tract I & II, Eccher Ranch) to GVS, LLC.**

Schmidt read the title of the ordinance. He asked Russ whether GVS would be taking up all of the treed area and the land. Yemma said the premises shown in the exhibit to the agreement was the maximum area, and she explained reasoning. Schmidt asked about the future trailhead area. He noticed the contract specified the electricity would be sold to GCEA, and he wondered if it could be transferred in the future. He questioned when the build would be anticipated. Mitchell thought the timeline was good. Taylor Henderson from GVS, LLC was on the line. He spoke regarding the term of the lease,

and he thanked for the opportunity. Schmidt acknowledged it was a thirty-year lease with two five-year extensions. Matt Feier, from GCEA, felt confident it was a good project for members and for the Town.

Schmidt asked for comments from the public.

Jim Starr

- He was speaking as a taxpayer and a person who studied passive solar.
- He applauded the Town's efforts.
- He voiced concerns about the proposal. He said there was no location that would be worse for solar collection.
- He noted the Town was getting \$10 a year and would be paying out far more to relocate the trailhead and remove trees.
- He recommended they include in the agreement that they revisit the lease amount in ten years.
- He was in favor of solar electrical generation.
- He thought the Town was giving away a lot.

Henderson explained what they did to assess the location. The opportunity would be close to a substation. Secondly, he recognized the tree stand was not healthy. Henderson listed other attributes of the site. He spoke about the costs of electricity. Schmidt brought the discussion back to the stand of trees. MacDonald confirmed the trees were not healthy. She stated it was beyond Town's control whether the trees could remain, and it was too dry in the area to plant new ones.

Magner thought the financial issues brought up by Starr made sense to consider. Starr elaborated that if electricity became less expensive, the Town should be able to share in increased profits because they were giving the land away. Feier explained the price would be fixed. Schmidt confirmed the pricing would be fixed for thirty years. Henderson described the project as an infrastructure investment. Conversely, if electricity costs rose sky high, the price would be fixed for GCEA. Merrill pointed out the parcel did not have potential for housing, which would be a priority over solar.

Schmidt confirmed proper public notice had been given. There were not additional comments from the public. Schmidt closed the public hearing.

Dujardin moved and Haver seconded a motion to approve Ordinance No. 30, Series 2020. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**2) Ordinance No. 31, Series 2020 - An Ordinance of the Crested Butte Town Council Amending the Crested Butte Municipal Code: Chapter 18, Article 4, Section 18-4-10, Adopting by Reference the 2018 Edition of the International Plumbing Code (IPC) And Chapter 18, Article 5, Section 18-5-10, Adopting by Reference the 2020 Edition of the National Electrical Code (NEC) (NFPA 70®).**

Schmidt read the title of the ordinance. He confirmed proper public notice had been given. He opened the public hearing. There were no comments from the public.

Haver moved and Dujardin seconded a motion to approve Ordinance No. 31, Series 2020. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **NEW BUSINESS**

#### **1) Ordinance No. 32, Series 2020 - An Ordinance of the Crested Butte Town Council Approving the Lease of 308 3<sup>rd</sup> Street Unit K (a Town owned property) to Living Lines, a Colorado Non-Profit Organization.**

Schmidt questioned the year of the ordinance's series. He read the title of the ordinance.

Neil Windsor

- He had questions regarding his lease.
- His intention was to offer to share the space with a party or a couple of parties that shared Living Lines' mission. He asked how the Council wanted to be informed. Schmidt's preference would be that Windsor informed the Town Staff and then Staff could bring concerns to the Council.
- Windsor asked about the opt-out in the newly proposed lease. MacDonald agreed the Town could put back in the early termination clause.

Mitchell moved and Haver seconded a motion to set Ordinance No. 32, Series 2020 for public hearing on January 4<sup>th</sup> with the addition of the termination clause. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **2) Ordinance No. 33, Series 2020 - An Ordinance of the Crested Butte Town Council Approving the Lease of 308 3<sup>rd</sup> Street Unit G (a Town owned property) to Gunnison Valley Mentors, a Colorado Non-Profit Organization.**

Schmidt read the title of the ordinance. MacDonald explained Mentors had a relationship with the previous tenant, Leslie Locklear. There were no comments from the public.

Mitchell moved and Haver seconded a motion to set Ordinance No. 33, Series 2020 to public hearing on the January 4<sup>th</sup> meeting. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **3) Ordinance No. 34, Series 2020 - An Ordinance of the Crested Butte Town Council Amending the Crested Butte Municipal Code Section 4-2-70(3), to Provide for a Town Sales Tax Exemption for "Prescription Drugs For Humans".**

Schmidt read the title of the ordinance. There were no comments from the Council, and there were no comments from the public.

Mitchell moved and Dujardin seconded a motion to set Ordinance No. 34, Series 2020 to public hearing at the January 4<sup>th</sup>, 2021 Council meeting. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **4) Discussion of Next Steps in Regional Affordable Housing Solutions in the North Valley, Including the Brush Creek Property.**

Schmidt labeled the parcel the "Parking Lot Parcel." He felt strongly a big question was around whether there was water on the property. He thought this year, as a dry year, would be a good year to have a well pump test done. Schmidt wanted to see the partners get together to determine the cost of a well pump test. Mitchell supported participating in the pump test and starting the conversation. Haver agreed Schmidt's reasoning was logical. Merrill recalled that Gates thought it would be really expensive. She did not think it sounded like the test would be expensive, and she supported it.

George Gibson

- He said there was an existing well on the property that was tested in 1994. The well only produced ten gallons per minute.
- The \$10,000 estimate would allow another well to be dug, and they could get the flow. More (funds) added in could make sure they were not taking someone else's water.
- He thought it was a good idea.
- The neighbors' wells should also be monitored.

The Council directed the Town Manager to move forward with the well pump test and investigating costs. MacDonald wanted to confirm the Council was comfortable with collaboration between the Town, Mt. Crested Butte, and the County, to include a standing monthly meeting. No one voiced objections. Dujardin stated they needed to be sure in the meetings they were dealing with preserving their own citizens. He echoed Cowherd's comments on urgency. They needed to look out for Town while being a good partner.

Dujardin asked, from a Staff perspective, whether it was worth studying the wetlands behind the school to find space for affordable housing. Magner seconded the idea. Russ knew of a covenant with the Corps of Engineers. The Community Compass would be a guiding light of whether use of the property for affordable would be appropriate. Open space, housing, and transportation all needed to get done. Schmidt stated the Compass was about finding what the priorities were for the community. MacDonald recognized that every project required a great deal of outreach. She acknowledged Town could only do so much. She recommended the Council stay on the path of developing the Slate River project while keeping this and other locations on the list.

The discussion became focused on the wetlands and the covenant. Mitchell preferred to focus on the Slate River project. Bob Gillie, who was on Zoom, stated the wetlands were tied into other agreements. In order to develop, Town would have to mitigate at about 1.5 times of which was destroyed. Green informed the Council that the wetlands issue was not entirely in the Town's hands. Schmidt summarized the Staff had direction to

move forward with regular meetings with partners and to look at the Brush Creek property specifically.

#### **5) Redden Master Lease Consideration.**

Manger recused herself from the meeting. She served on the Valley Housing Fund (VHF) board.

Russ explained background on the agenda item. The VHF was proposing master lease agreements. The request was for \$100,000 that would allow the Town to lease the unit to an employee. Also, the project would add five affordable housing units. Russ identified additional costs to the Town, including tap fees and a rent subsidy. The investment would cost the Town \$220,000 over twenty years. Russ outlined what Staff was looking for direction on such as: the master lease repayment period, deed restrictions, rent increases, and an effective date. Staff recommended Council support the project with a four-year payment period.

Jim Starr

- The VHF's primary reason for the request was to meet the totally unmet need in the housing study.
- He identified the desire for affordable rental housing to be interspersed for preserving the community.

Bob Gillie

- Russ's presentation during the work session identified the magnitude of the problem.
- The reason the Town had more deed restricted units was because Town had been doing it small.
- He provided history on the project.
- He listed options for the site.
- They found that by trying for five small units, it better addressed the needs found in the latest needs assessment.
- They felt this product met the highest needs.
- An opportunity to disperse affordable housing should not be missed.
- He objected to the tap fees being added to the Town's costs on top of the ask.
- The Town helping out sooner rather than later would be helpful.

Russ responded to Gillie's question on the timing and to not seeing anything in the budget until 2022. Schmidt asked about deed restrictions on the other four units and Starr explained. Starr clarified this money would not be going towards the infrastructure, and he explained what the \$100,000 would be used for. The discussion became focused on the deed restrictions. Gillie reported the goal was to house people within the lower AMI.

Next, the discussion was around the number of bedrooms and the number of people housed. Starr thought homes in the mobile home park were no longer affordable in the free market. Schmidt brought up the Town's policy of renting a one-bedroom to an

employee for no more than \$500 per month. MacDonald said the Town could alternatively charge a percentage of an employee's income. Gillie, responding to Schmidt, said the VHF was on step one for getting partnerships together. Dujardin did not see how Town could maintain the \$500 a month rental amount for twenty years.

MacDonald stated Staff was recommending the Council proceed. Staff was looking for direction from the Council on the payment period for the \$100,000. Merrill wanted to accommodate that they needed money sooner. Bradley agreed time was of essence, and they needed to move on the project. Starr would be willing to recommend \$50,000 in 2021 and \$50,000 the next year. Their effort would be to get the units on the ground as soon as they could. Gillie said 2021 would be a stretch, since there would be lead-time on ordering trailers. Schmidt asked, if the Town would go 50/50 for 2021/2022, when the VHF would order trailers. Schmidt asked the Council about the payment period. Starr said the full amount paid this year, would help in getting units put in place sooner. Russ confirmed Town could accommodate with more RETT in 2022. Dujardin supported paying \$100,000 to the VHF right now. MacDonald told the Council that the agreement would come back to the Council for formal approval. Mitchell supported not spreading the payments out, and no one voiced disagreement.

#### **6) 2021 Services Agreement Between the Town of Crested Butte and the Crested Butte / Mt. Crested Butte Chamber of Commerce.**

Magner's recusal from the meeting continued. She recused herself from voting on this agenda item that was previously on the Consent Agenda. MacDonald clarified this agreement was a funding agreement for the BOLT money, and it was not a lease.

Haver moved and Mitchell seconded a motion to approve the services agreement between the Town of Crested Butte and The Chamber. A roll call vote was taken with all voting, "Yes," except for Magner, who had recused herself and did not vote. **Motion passed unanimously.**

Magner reconnected to the meeting.

#### **LEGAL MATTERS**

Green mentioned the conflict of interest issue related to boards and committees on which Council members sat. She suggested a work session to discuss and answer specific questions. Green referred to the Code of Conduct. She explained the conflicts of interest that involved Magner during the meeting tonight.

Green recommended that the Town comment on a proposed EPA rule on what would be a point service discharge that would require a permit. She said they could include a draft comment letter on the next agenda. Schmidt asked whether it was relevant to the Keystone Mine. Green confirmed the rule change would most likely be relevant to that site.

## **COUNCIL REPORTS AND COMMITTEE UPDATES**

### **Mallika Magner**

- She recused herself from the Valley Housing Fund and The Chamber meetings last week in order to participate in discussions during the meeting tonight. Green elaborated on conflicts of interest.

### **Mona Merrill**

- She had two meetings last week: The Center for the Arts and STOR.
- The STOR meeting was about the comprehensive mountain bike trail proposals.
  - The contentious trail not endorsed by STOR was on top of Snodgrass.
  - Another trail, the Eccher Trail, was not endorsed.
- From The Center for the Arts meeting:
  - They were raising money and were looking for new members.
  - A big topic was the shutdown of the old Center for the Arts building. The Center would not prioritize the improvements in the old building. Merrill found it tragic that the building would remain shut. She would love to figure it out, thinking out of the box, to get the building open sooner in order to keep using the space. Magner thought it sounded like they did not have a financial incentive to spend the money on the old space. Magner asked about the agreement between the Town and The Center. Merrill would hate to think the end result would be the building sitting empty for five years or ten years. Schmidt suggested the Town ask the Board and the Executive Director what their plans were for the building and the timelines. Jillian Liebl, from The Center, was on the line. She spoke about certain issues. Liebl informed the Council that most issues that could be addressed during the wintertime were being addressed. The Center was trying to pay off debt incurred on the construction project. Rental income in the old area did not offset expenses. They would be open to discussing ways to provide space to the community. Schmidt requested a letter from The Center regarding timelines, obstacles, and what needed to be done.
- Schmidt asked about discussions on the Crested Butte to Carbondale trail. Merrill said it did not come up at STOR.

### **Will Dujardin**

- He had local government subcommittee and executive committee meetings. The executive committee would be coming to Council with recommendations, specifically on lodging complaints to the Town on racial bias.
- He emphasized Gunnison County had not yet cleared the November COVID spike. The State could recommend the County going straight to red or going to orange first.
- There would not be an official EOC meeting until the New Year, unless Joni Reynolds deemed a meeting necessary.



- Schmidt recognized Gunnison County was very lucky that restaurants could still be open with 50% capacity. The community needed to be aware they were on the cusp of more restrictions.
- Magner spent an hour in line at the Post Office. The line needed to be outside, and she recommended that the first half hour be reserved for at-risk people. Schmidt thought Town should write a letter to the Post Office. MacDonald suggested the request for an air purifier be included in the letter.
- MacDonald shared numbers of positive COVID tests. Her concern was that counties crying foul would cause the State to force Gunnison County to be more restrictive. Gunnison County chose voluntarily to stay out of red, while other counties went into red and were now stuck in red. Merrill thought it would be really tough for the restaurants to not have any indoor seating for the holidays.
- They were looking for staffing for the call center.
- The testing clinics went well.
- The Upper Gunnison River Water Conservancy District Board would be recommending Sonja Chavez to be Gunnison County's Director on the Colorado Water Board. They were asking for support from the Town. Dujardin asked MacDonald to draft a letter echoing the letter from the Upper Gunnison River Water Conservancy District. He thought the letter could be on the agenda for January 4<sup>th</sup>. Mark Reaman was aware the person would be appointed before the next Council meeting. Schmidt did not know enough about it. MacDonald thought it best to defer to the County Commissioners without weighing in. No one on the Council disagreed with MacDonald's statement.

#### Chris Haver

- They had the Housing Authority meeting.
  - They talked about the needs assessment update.
  - Russ presented on the InDEED program. Convening a work group was recommended to help study it.
- Haver announced that an approximately \$1.5M grant was given to RTA to build in the Riverland District.
  - RTA would have bus storage.
  - There would be storage that would allow for the Bustang to start service with traveling to Denver and Montrose.

#### Candice Bradley

- She had information about Mountain Express.
  - They had 17 out of 20 vehicles with protective barriers in place.
  - There was frustration with understanding how many people would be visiting the resort, related to planning for transportation. There was not a lot of communication. Schmidt said it needed to be addressed with higher ups at Vail. The frustration came with not getting a lot of response.

#### Will Dujardin

- He informed the Council there was a recent accident involving a Mountain Express bus. He asked for information. Bradley believed it was a condo loop bus.
- He wondered about new busses for Mountain Express.

Jim Schmidt

- He attended a Region 10 board meeting with Zoom.
  - They have about \$16M in assets, most of which is fiber optic cable.
  - There was a presentation regarding the outage that occurred.
  - Someone from Region 10 would present at a Council meeting in January.
  - They focused on senior stuff.

### **OTHER BUSINESS TO COME BEFORE THE COUNCIL**

Bradley announced that she would be resigning from Council because she would no longer be living in Crested Butte. She would be living in Gunnison. Bradley was honored the people of Crested Butte chose her to represent them. She asked the Council to find a way to better serve the community with affordable housing. She said people in the community were playing poor to fit into (affordable housing) scenarios. She acknowledged it was a hard system of which to keep track. It was frustrating for people that were really struggling to meet daily expenses and afford a housing situation. Schmidt thanked Bradley for her service. The other Council members voiced their thanks and appreciation.

MacDonald mentioned that Staff could work to schedule an afternoon retreat to review and understand various boards and committee and the roles. A possible outcome could be a change to the conflict of interest section of the Code. The Council affirmed they would attend a retreat at the end of January.

The timeline was briefly discussed for replacing Bradley's position. Bradley explained that she served on the Mountain Express Board, TAPP Board, and the Public Arts Commission.

### **DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- Monday, January 4, 2021 - 6:00PM Work Session - 7:00PM Regular Council
- *Tuesday*, January 19, 2021 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, February 1, 2021 - 6:00PM Work Session - 7:00PM Regular Council

## **EXECUTIVE SESSION**

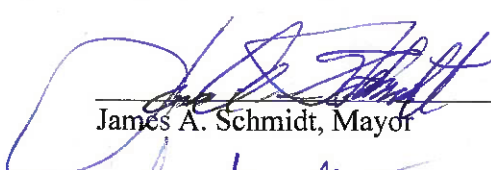
Schmidt read the reason for Executive Session: for discussion of a personnel matter under C.R.S. Section 24-6-402(4)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees regarding compensation of the Town Manager.

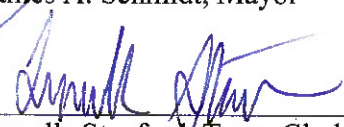
Dujardin moved and Haver seconded a motion to go into Executive Session for the reasons specified. A roll call vote was taken with all voting, "Yes," except Mitchell did not vote. **Motion passed unanimously.**

The Council went into Executive Session at 10:28PM. The Council returned to open meeting at 11:15PM. Mayor Schmidt made the required announcement upon returning to open meeting.

## **ADJOURNMENT**

Mayor Schmidt adjourned the meeting at 11:15PM.

  
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James A. Schmidt, Mayor

  
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Lynelle Stanford, Town Clerk

(SEAL)

